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Revised estimates relating to the resident coordinator system under section 1, Overall policymaking, direction and coordination

Report of the Advisory Committee on Administrative and Budgetary Questions

I. Introduction

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General on revised estimates relating to the resident coordinator system under section 1, Overall policymaking, direction and coordination (A/73/424). During its consideration of the report, the Committee met with representatives of the Secretary-General, who provided additional information and clarification, concluding with written responses dated 14 November 2018. Following the meeting, the Committee received the final version of the report of the Secretary-General, which was issued on 1 November 2018.

2. By its resolution 72/279, the General Assembly decided to create a dedicated, independent, impartial, empowered and sustainable development-focused coordination function for the United Nations development system by separating the functions of the resident coordinator from those of the resident representative of the United Nations Development Programme (UNDP), drawing on the expertise and assets of all United Nations development system entities, including non-resident agencies. The Assembly also endorsed the transformation of the Development Operations Coordination Office as a stand-alone coordination office within the Secretariat, reporting to the Chair of the Group. As outlined in the resolution, the Office will assume the managerial and oversight functions of the resident coordinator system under the leadership of an Assistant Secretary-General and under the collective ownership of the members of the United Nations Sustainable Development Group.

3. The General Assembly also decided, in paragraph 10 of the same resolution, to provide sufficient funding for the resident coordinator system on an annual basis starting from 1 January 2019, through:

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(a) A 1 per cent coordination levy on tightly earmarked third-party non-core contributions to United Nations development-related activities, to be paid at source;

(b) Doubling the current United Nations Development Group cost-sharing arrangement among United Nations development system entities;

(c) Voluntary, predictable, multi-year contributions to a dedicated trust fund to support the inception period.

II. Proposal of the Secretary-General on the resident coordinator system

4. The report of the Secretary-General states that the resident coordinator system ensures the coordination of the operational activities for development of the United Nations, with the objective of leveraging the respective expertise and specializations of United Nations development entities to deliver together more coherent, effective and efficient support to countries. The report also states that the 2030 Agenda for Sustainable Development has significantly increased the demands on the United Nations development system, requiring a marked upgrade in the system's ability to coordinate the provision of high-quality, coherent and reliable policy and programming support to Member States (A/73/424, paras. 3 and 5).

5. In paragraph 14 of its resolution 72/279, the General Assembly emphasized the need to ensure full achievement of the efficiency gains envisioned in the report of the Secretary-General on repositioning the United Nations development system to deliver on the 2030 Agenda (A/72/684-E/2018/7) in a timely manner and to redeploy those efficiency gains for development activities, including coordination. Upon enquiry, the Advisory Committee was informed that the United Nations development system would strive to achieve efficiency gains, projected at $310 million a year by 2022, through savings from common business operations and common back offices, common premises, the merger of United Nations information centres with resident coordinator offices and the implementation of a new generation of United Nations country teams. **The Advisory Committee trusts that the next report of the Secretary-General on the resident coordinator system will provide an update on the efficiency gains achieved.**

6. The report indicates that, in the reinvigorated resident coordinator system, resident coordinators will be directly nominated as the designated representatives of the Secretary-General for development operations. In that capacity, they will lead the United Nations country teams, in consultation with the host Governments, to define and agree on the United Nations strategic response to the Governments' priorities. The report also indicates that, on average, each resident coordinator office will have a minimum capacity of five substantive staff members, including experts in coordination and strategic planning, economics, monitoring and evaluation, communications and strategic partnerships. Each resident coordinator office will have both international and national staff, with a preference for national staff whenever possible (A/73/424, paras. 11 and 12).

7. With respect to the staffing of the resident coordinator offices, the report states that three national officers will be administered by UNDP in 2019, while two support staff (executive assistant and driver) will be provided by UNDP as a service, on the basis of a fee. International staff will be fully administered by the United Nations Secretariat, and staff of all resident coordinator offices are expected to transition to United Nations Secretariat contracts by 1 January 2020. The report indicates that UNDP will provide administrative and operational support services to the regional and country offices on a service-fee basis, for: premises and facilities management;

general administration; finance and procurement; legal affairs; and information, communication and technology. As part of the transition during 2019, UNDP will also provide human resources management services for the national staff in the regional offices of the Development Operations Coordination Office (A/73/424, paras. 19 and 21).

8. The report also indicates that, at the global level, the Development Operations Coordination Office will assume the managerial and oversight functions of the resident coordinator system, including the provision of troubleshooting, quality assurance, advisory and dispute resolution services in close liaison with the relevant regional team of the United Nations Sustainable Development Group and other senior officials of the system. Day-to-day programmatic support, policy guidance and technical support, as well as day-to-day support for resident coordinators and country teams, will be backstopped through better-resourced regional desks of the Development Operations Coordination Office, working in close collaboration with the relevant regional team of the United Nations Sustainable Development Group (A/73/424, paras. 7 to 9).

Posts

9. According to the report, the Development Operations Coordination Office will consist of 95 posts, to be led by an Assistant Secretary-General who will report to the Deputy Secretary-General. The United Nations Sustainable Development Group will work under the leadership of the Deputy Secretary-General in her capacity as Chair of the Group and under the guidance of the Vice-Chair of the Group (A/73/424, paras. 7 and 16). Upon enquiry, the Advisory Committee was informed that the Director of the Development Operations Coordination Office will have a direct reporting line to the Deputy Secretary-General in her capacity as Chair of the Group, while the Vice-Chair of the Group, who is the Administrator of UNDP, will perform an advisory function for the Deputy Secretary-General. This function also includes drawing on inputs of the agencies of the Group on operational coordination for sustainable development.

10. The report states that the 95 posts for the Development Operations Coordination Office comprise 67 posts at Headquarters (1 ASG, 1 D-2, 3 D-1, 12 P-5, 25 P-4, 15 P-3, 2 General Service (Principal level), and 8 General Service (Other level)) and 28 posts (5 D-2, 3 P-5, 11 P-4, 4 P-3 and 5 General Service (Other level)) for the five regional offices based in; Addis Ababa; Amman; Istanbul, Turkey; Bangkok; and Panama City (A/73/424, para. 17).

11. The report also states that, effective 1 January 2019, the posts of the current 129 resident coordinators (12 ASG, 36 D-2, and 81 D-1) will be created within the United Nations Secretariat. Current resident coordinators who choose to remain in their current function will be redesignated by the Secretary-General and appointed under a United Nations Secretariat letter of appointment. Existing resident coordinators will continue to be administered by UNDP in 2019, on behalf of the United Nations Secretariat, while all new resident coordinators appointed from 1 January onwards will be fully administered by the United Nations Secretariat. From 2020 onwards, all resident coordinators will be fully administered by the United Nations Secretariat. Resident coordinators will continue to be double-hatted as humanitarian coordinators and triple-hatted as deputy special representatives of the Secretary-General, in relevant contexts. Currently, there are 12 such positions, 10 at the ASG level and two at the D-2 level. The salaries and common staff costs of the triple-hatted resident coordinators will be paid at 50 per cent by the resident coordinator system and 50 per cent by the respective special political mission or peacekeeping operation in which the resident coordinator is serving (A/73/424, paras. 18 and 20).

12. The Advisory Committee recalls that, pursuant to General Assembly resolution 35/217, the Controller had requested, by a letter dated 30 August 2018, the Committee's concurrence with the establishment of 129 resident coordinator posts and 10 Development Operations Coordination Office posts at the D-1 level and above in the United Nations Secretariat, to be funded from extrabudgetary resources. Upon enquiry, the Committee was informed that there were 12 resident coordinator posts (10 ASG and 2 D-2) that are part of the staffing table of peacekeeping operations or special political missions. The Committee considered that those posts should continue to be reviewed by the Assembly in the context of the budgets of the relevant peacekeeping operations or special political missions until the Assembly decided otherwise. The Committee therefore concurred with the establishment of 117 resident coordinator posts, effective 1 January 2019, and 10 Development Operations Coordination Office posts, effective 1 November 2018, to be funded from extrabudgetary resources, up to 31 December 2019. The Committee expects that the Secretariat will conduct a review of the number and levels of these posts, and that any future request relating to the posts will include the results of the review and a detailed justification for each post. The Committee also expects that the highest standards of efficiency, competence and integrity, as well as geographic balance and gender parity, will be taken into account in the recruitment for these posts, and that the recruitment will also be undertaken in accordance with the Staff Regulations and Rules of the United Nations as applied to the Secretariat. **The Advisory Committee expects that the results of the review will be taken into account in the next report of the Secretary-General on the resident coordinator system.**

13. Regarding the double-/triple-hatted resident coordinators, the Advisory Committee was informed, upon enquiry, after its consideration of the proposed establishment of the 139 posts mentioned above, that there are nine ASG-level posts and two D-2 level posts in four peacekeeping operations (United Nations Multidimensional Integrated Stabilization Mission in the Central African Republic (MINUSCA), United Nations Multidimensional Integrated Stabilization Mission in Mali (MINUSMA), United Nations Organization Stabilization Mission in the Democratic Republic of the Congo (MONUSCO) and United Nations Mission in South Sudan (UNMISS)) and five special political missions (United Nations Assistance Mission in Afghanistan (UNAMA), United Nations Assistance Mission for Iraq (UNAMI), United Nations Assistance Mission in Somalia (UNSOM), United Nations Support Mission in Libya (UNSMIL) and Office of the United Nations Special Coordinator for Lebanon (UNSCOL)); one ASG-level post in the Office of the United Nations Special Coordinator for the Middle East Peace Process under section 3, Political affairs, of the programme budget; and two ASG-level posts in non-mission settings in the Syrian Arab Republic and Yemen. **The Advisory Committee makes additional observations on the double-/triple-hatted resident coordinators in the context of its report on special political missions (A/73/498).**

Resources

14. In his report, the Secretary-General states that the resident coordinator system will come at a financial cost of $281 million for 2019, including $35 million for coordination activities, which would be allocated across resident coordinator offices in 131 countries and the five regional teams of the United Nations Sustainable Development Group (A/73/424, paras. 13 and 14). **The Advisory Committee notes that the budget for the resident coordinator system has been provided in annex II of the report of the Secretary-General. The Committee recalls that it had previously noted that the budget of the resident coordinator system comprises funds from both assessed and voluntary sources contributed by the different member organizations, which are overseen by their respective governing bodies, each of which reviews only the funding related to its specific contribution. The**

Committee had also noted the absence of a unified mechanism for intergovernmental consideration of all aspects of the cost-sharing arrangement, including the global budget of the resident coordinator system. The Committee reiterates its view that there would be merit in a unified mechanism for intergovernmental oversight of the global budget of the resident coordinator system, including the cost-sharing arrangement, bearing in mind the provisions of General Assembly resolution 72/279 (see also A/70/7/Add.48, para. 22).

15. The report indicates that the Development Operations Coordination Office and the resident coordinator system will be managed financially through a United Nations special purpose trust fund, which will pool the three funding sources provided for by the General Assembly in its resolution 72/279. The trust fund will be housed in the United Nations Secretariat and managed by the Development Operations Coordination Office. Reporting to donors and other stakeholders will be done on the basis of the calendar year, in United States dollars, and available three months after year-end (A/73/424, paras. 23 and 24). Upon enquiry, the Advisory Committee was informed that information on the financial performance and financial position of the trust fund will be included in the financial statements of the United Nations (Vol. I), and that the Controller will provide certified financial statements as of 31 December of each calendar year. **The Advisory Committee trusts that the special purpose trust fund will be managed in accordance with the Financial Regulations and Rules of the United Nations.**

16. According to the Secretary-General, the decision of the General Assembly to double the amount contributed through the United Nations Sustainable Development Group cost-sharing arrangement will generate $77.5 million towards the 2019 costs of the resident coordinator system. It is stated that a new cost-sharing formula for 2021 onwards will be presented to the Advisory Committee, the Fifth Committee of the General Assembly and the governing bodies of the member entities of the United Nations Sustainable Development Group in 2020 (A/73/424, paras. 28 and 29). Upon enquiry, the Committee was informed that the timeline and procedure for the presentation of a new cost-sharing formula are still under discussion. The Committee notes that, in its resolution 72/279, the Assembly requested the Secretary-General to submit for its consideration, before the end of its seventy-fifth session, a review with recommendations on the functioning of the reinvigorated resident coordinator system, including its funding arrangement. The Assembly also requested the Secretary-General to report annually, starting in 2019, to the Economic and Social Council on the implementation of the reinvigorated resident coordinator system, including its funding (resolution 72/279, paras. 15 and 16).

17. Based on the decision of the General Assembly on the cost-sharing arrangement, the Secretary-General requests an additional appropriation in the amount of $13,571,800, representing the Secretariat's share of the cost-sharing arrangement for 2019.

III. Conclusion

18. In his report (A/73/424, para. 32), the Secretary-General sets out the action requested of the General Assembly. **Taking into account its comments and recommendations above, the Advisory Committee recommends that the General Assembly approve an additional appropriation, representing a charge against the contingency fund, for the biennium 2018–2019, in the amount of $13,571,800, as a grant to the special purpose trust fund in 2019, under section 1, Overall policymaking, direction and coordination, of the programme budget for the biennium 2018–2019.**